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The Silver Market 1985

70th Annual Review
Compiled by
Handy & Harman

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Highlights of The Silver Market 1985

We have continually emphasized that there will not be a shortage of silver for future industrial needs, and events have confirmed this position.

During 1985, silver supplied to the market from new mine production and secondary sources exceeded industrial demand by approximately 43,000,000 ounces. Furthermore, any improvement in industrial demand in 1986 may be readily accommodated by available supplies.

The price of silver declined from $6.14 on January 2, 1985 to $5.83 on December 31, 1985. This represents a 5% reduction in price.

The silver price during 1985 enjoyed a degree of stability not experienced since 1977.

Consumption of silver for industrial uses in the United States increased about 3% during 1985 to an estimated 118,600,000 ounces compared to a revised figure of 114,800,000 ounces in 1984.

The largest gains were in "Photographic", and "Contacts and Conductors" categories.

World consumption of silver during 1985 for industrial and coinage uses combined, excluding Communist-dominated areas, increased to an estimated 382,600,000 ounces, a 3% increase over our revised 1984 figure of 371,600,000 ounces.

Industrial consumption was approximately 373,900,000 ounces, up 3% from the previous year. Coinage consumption was 8,700,000 ounces, approximately the same as 1984.

World mine production of silver, excluding Communist-dominated areas, amounted to nearly 319,900,000 ounces during 1985, a slight decrease from our revised 1984 figure of 321,500,000 ounces.

Supplies of silver from secondary sources declined 9% during 1985. The outflow of silver from old scrap, demonetized coin, and India and Government sources, provided 100,900,000 ounces of silver to the market during 1985 compared to 111,200,000 ounces during 1984.

Prices in the New York market continued to fluctuate, however, the range between the high and low prices was only $1.16 in 1985 compared to $3.78 in 1984. The average silver price for 1985 of $6.14 was 25% lower than the comparable amount of $8.14 for 1984.

The basic factors which influenced the market in 1985 appear substantially unchanged from previous years. There is no discernable factor having a dominating influence on the market at this time.

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Review of The Silver Market for 1985

The price of silver declined from $6.14 on January 2, 1985 to $5.83 on December 31, 1985. This represents a 5% reduction in price during 1985 compared to a 26% drop in 1984. The silver price during 1985 enjoyed a degree of stability not experienced since 1977. During the year, silver prices continued to experience frequent fluctuations which have been characteristic of the market since 1967 when the U.S. Government abandoned its long-standing price stabilization policies. Price fluctuations were substantial, but on the whole were less volatile than in preceding years and changes were narrower in 1985 than in the past seven years. The range between the low of $5.57 and the high of $6.73 was $1.16, equivalent to a change of only 20%. The table on page 26 sets forth a comparative record of high, low, and average silver prices for both the New York and London spot markets for the past ten years.

During 1985, silver supplied to the market from mine production and secondary sources exceeded industrial demand by 42,600,000 ounces compared to 46,800,000 ounces the previous year. The balance of supply and industrial demand of the silver market changed substantially in mid-1979. Since that time, industrial demand has declined because of higher prices which encouraged silver conservation by some manufacturers. Accordingly, for the last six years, industrial consumers of silver have been able to meet their needs from current production without looking to Government stockpiles or investor accumulations as a source.

Silver in The United States

The New York Market: The most significant trading market for silver in the United States is the New York Commodity Exchange, generally referred to as COMEX. The daily New York silver price

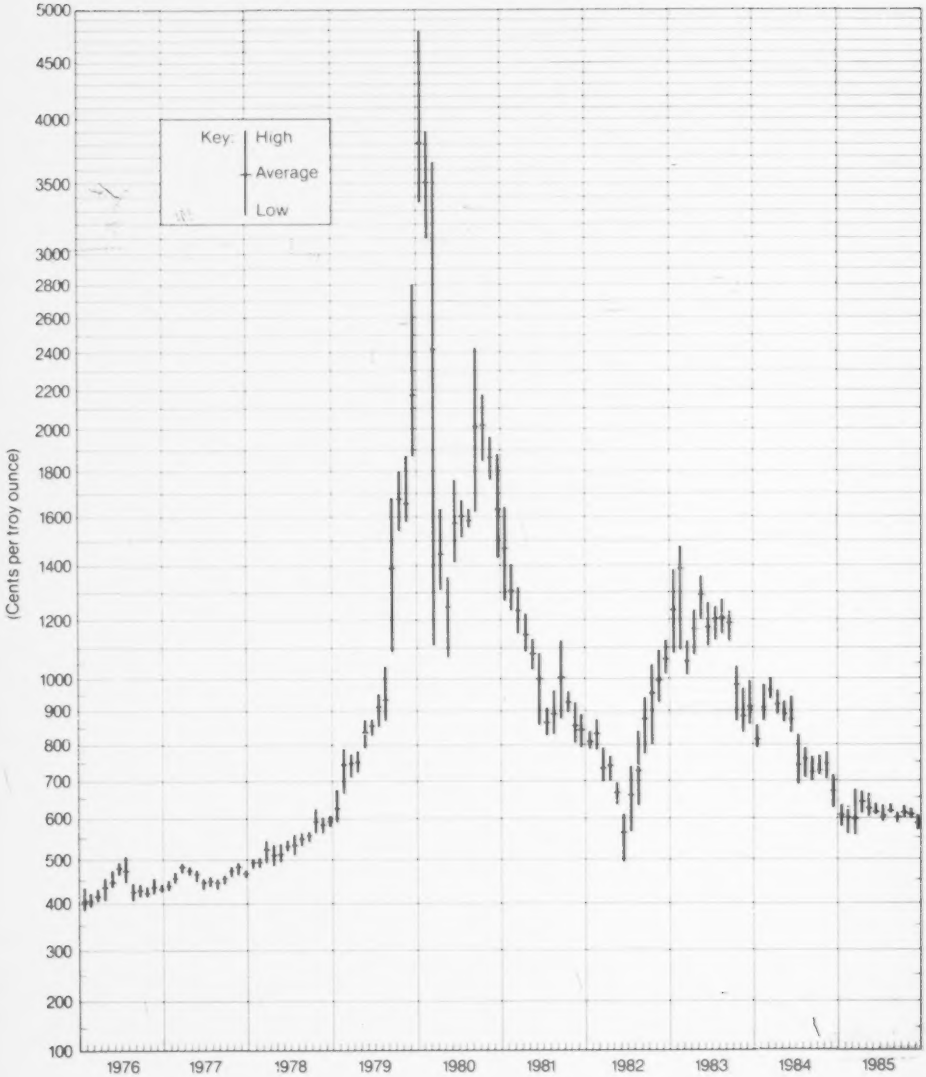
for prompt physical delivery as published by Handy & Harman, closely reflects the prices on COMEX for silver futures, because the principal suppliers to commercial users base their daily offers on the then current COMEX quotations. Unless otherwise specified, all references to the New York price refer to the Handy & Harman published price. The average silver price for 1985 of $6.14 was 25% lower than the comparable amount of $8.14 for 1984. The chart on page 7, shows monthly high, low and average prices of spot silver from 1976 through 1985 as published by Handy & Harman. This chart illustrates the volatile nature of the market over the past ten years.

The pattern of the New York silver price during 1985 falls into three major phases. The first phase from January 2, to March 12 was characterized by a downward price trend. Prices then increased dramatically during the second period from March 12 through March 27 and the final phase was characterized by a steady downward price trend for the balance of the year.

The year opened with the market at $6.14 per troy ounce, and by March 12, 1985, the price had declined to $5.57 which was the low for the year. Analysts attribute this decline to rumors that some of the silver accumulated by the Hunt family was being compulsorily liquidated. At this point the market entered its second phase. The dollar came under pressure and intense speculative activity drove the price of silver up to the high for the year of $6.73 on March 27. The market then resumed its long-term downward trend which had been underway since June, 1983. An erratic downward trend continued for the balance of the year which carried the price to $5.83 on December 31, 1985.

The reason for the rise and then decline in silver prices during 1985 must be attributed more to speculator and investor actions rather than to periodic shifts in the level of commercial demand. Certainly, the recovery in the principal economic indica-

New York Silver Prices Monthly Ranges



tors during the year had its influence, and equally, the realization that the recovery rate was slowing as the year progressed helped bring about price reaction during the closing months.

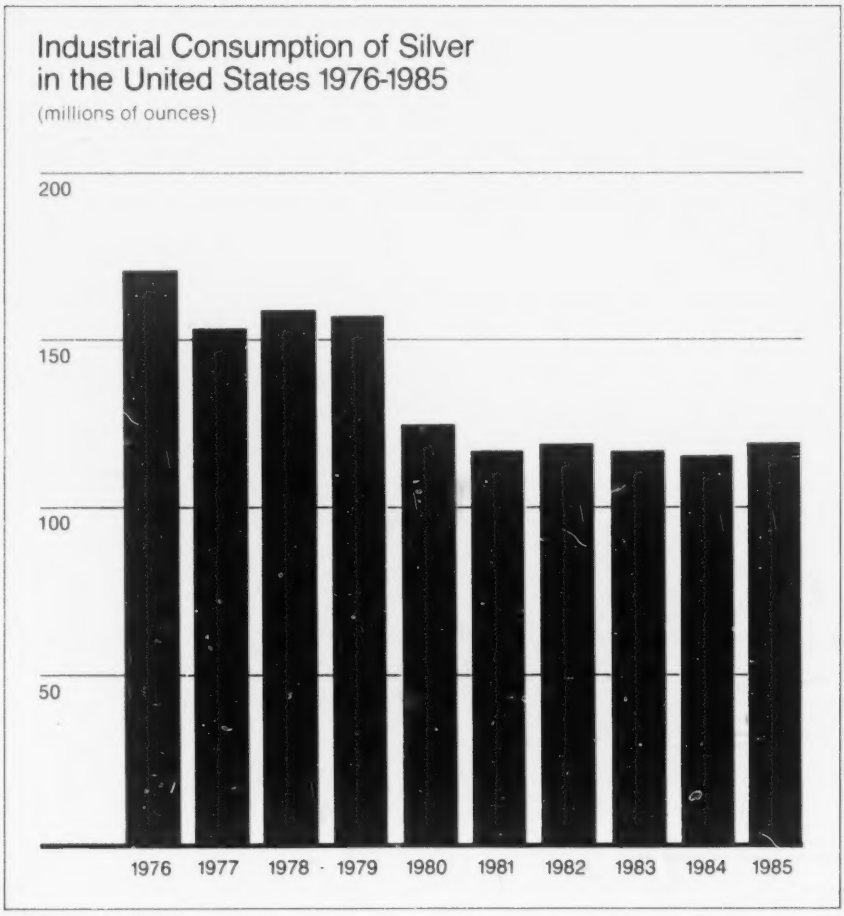
Perhaps more important than the economic indicators, however, was the fact that silver has for many years been considered as a hedge metal, that is, as a refuge from inflation and monetary uncertainties. Accordingly, the moderate rate of inflation in the United States and the strength of the dollar appear to have had a greater influence on price patterns than seasonal variations in the requirements of industry.

Price Definition: The price referred to in the above market discussion is the New York Silver Price as published daily by Handy & Harman. The definition of this price is as follows:

> "The daily silver quotation reported by Handy & Harman, in cents and tenths of a cent per troy ounce, is the lowest at which offers can be obtained by Handy & Harman for silver in commercial bar form, in accordance with ASTM Designation: B413-69 Specification for Refined Silver, Grade 99.90 for nearby delivery at New York, in quantities sufficient to meet requirements."

The New York Commodity Exchange designates certain brands of silver which are acceptable as good delivery against contracts on the Exchange, but it does not require conformity to ASTM specifications. It requires only that such silver be no less than 99.9% pure without reference to impurities. The ASTM specification sets maximum limits on impurities, and this is very important for commercial users. Therefore, the price published by Handy & Harman is somewhat different than comparable quotations on COMEX.

Silver Futures: Trading in silver futures on the New York Commodity Exchange declined 28% during 1985. A total of 4,821,206



contracts of 5,000 ounces each were traded, amounting to 24.1 billion ounces of silver compared to 33.7 billion ounces traded in 1984. Open interest at year-end amounted to 86,140 contracts, up 6% from 81,010 at the beginning of the year. Stocks in COMEX licensed vaults at the end of 1985 amounted to 155,342,000 ounces, a 31% increase over the 118,520,000 ounces at the end of 1984.

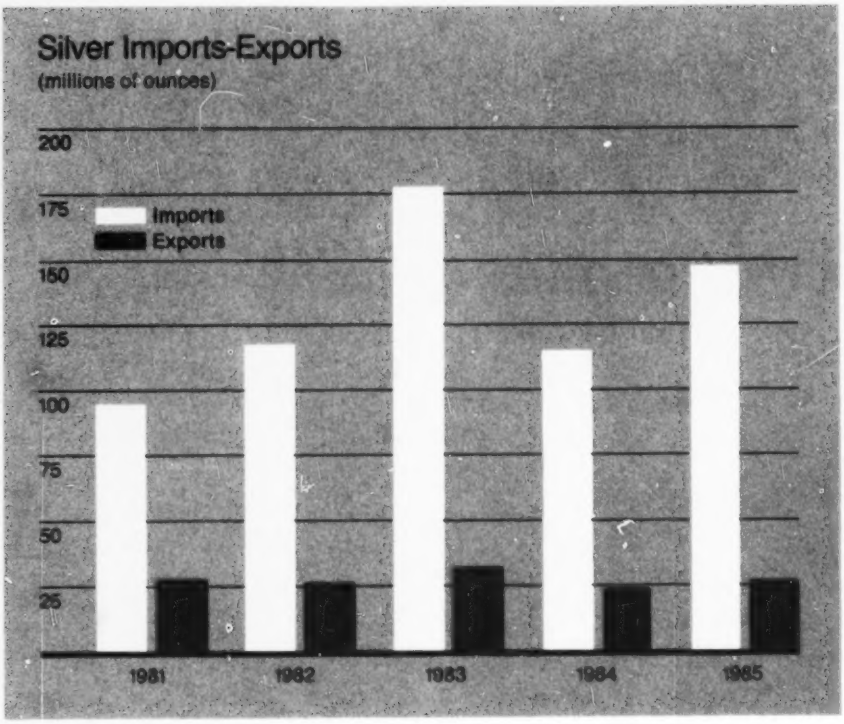
The Chicago Board of Trade has discontinued trading of the 5,000 ounce contract. A total of 1,034,830 contracts of 1,000 ounces each were traded during 1985. This was equivalent to about 1.0 billion ounces of silver compared to 1.9 billion ounces for the year before. Stocks in approved CBT vaults at year-end amounted to 16,686,000 ounces, a decrease of 13% from the 19,111,000 ounces at the end of 1984.

Industrial Consumption: Consumption of silver for industrial uses in the United States increased 3.3% during 1985 to an estimated 118,600,000 ounces compared to a revised figure of 114,800,000 ounces in 1984. A five-year summary of consumption by end-use appears on page 24 in the statistical tables.

Consumption of silver for photographic materials increased 2,700,000 ounces reflecting the recovery in the U.S. economy. Silver used for contacts and conductors increased 1,400,000 ounces. Consumption in other categories remained approximately the same as the previous year.

Imports and Exports: Total imports of silver into the United States during 1985 amounted to approximately 147,000,000 ounces, a 23% increase over the previous year's revised total of 115,000,000 ounces. Imports from Canada amounted to 44,000,000 ounces, a 20% increase from the previous year. Imports from Mexico of 40,000,000 ounces in 1985 was approximately the same as the previous year. Shipments received from Peru amounted to 10,500,000 ounces, a 55% decrease from the previous year's total of 23,200,000 ounces. Imports of silver bullion from the United Kingdom increased significantly; 21,500,000 ounces in 1985 compared to 800,000 ounces in 1984. Other significant sources during 1985 were Switzerland 12,000,000 ounces and Belgium 10,000,000 ounces. All other countries supplied 9,000,000 ounces in 1985, approximately the same as 1984.

Exports during 1985 amounted to an estimated 25,800,000 ounces, a 6% increase from the 24,400,000 ounces in 1984.



Shipments to Canada during 1985 totaled 9,000,000 ounces, about 3,600,000 ounces were shipped to Japan, and 13,200,000 ounces to various other countries.

Legislative Developments: The question regarding the sale of the U.S. Strategic Stockpile of 137,500,000 ounces of silver has been under consideration since 1973. The Department of Defense Authorization Act, signed by the President on October 19, 1984, terminated all previous authority to dispose of material in the National Defense Stockpile effective September 30, 1984. The law authorized the disposal of 10,000,000 ounces of silver from the Stockpile after October 1, 1984. Actual disposal of the silver was deferred until the President submitted to Congress a report determining whether the silver in the Stockpile is excess to U.S.

defense needs and a recommended method of disposal. The report has not been submitted to Congress by year end 1985. All indications are that there still is strong Congressional opposition to the disposal of the silver Stockpile. Meanwhile, this silver continues to be a potential source for industry.

REVIEW OF OTHER MARKETS

World consumption of silver during 1985 for industrial and coinage uses combined, excluding Communist-dominated areas, increased to an estimated 382,600,000 ounces, a 3% increase over our revised 1984 figure of 371,600,000 ounces. Industrial consumption increased 3% from the previous year to 373,900,000 ounces. The largest increases were recorded in the United States and Italy. Coinage consumption of 8,700,000 ounces was the same as the previous year.

World mine production of silver, excluding Communist-dominated areas, amounted to 319,900,000 ounces during 1985, a slight decrease from our revised 1984 figure of 321,500,000 ounces. Mexico, the world's leading producer of silver, increased its output 2% in 1985 to 69,000,000 ounces. Production from Peru was 57,700,000 ounces in 1985 compared to 56,500,000 ounces in 1984. Mine production in the United States decreased 14% to 38,100,000 ounces. Canadian production of 38,000,000 ounces was slightly higher than the 37,600,000 ounces for 1984. Australian mine production amounted to 35,100,000 ounces, a 3% increase over the 1984 quantity of 34,200,000 ounces.

Supplies of silver from secondary sources declined 9% during 1985. The outflow of silver from old scrap, demonetized coin, India, and Government sources amounted to 106,300,000 ounces during 1985 compared to 116,200,000 ounces in 1984. Silver from India was 25,700,000 ounces in 1985 a 20% decrease from the 32,100,000 ounces supplied to the market in 1984.

Finally, old scrap and other sources provided 72,200,000 ounces in 1985 compared to 75,100,000 ounces in 1984.

United Kingdom: Consumption of silver for industrial uses in the United Kingdom during 1985 amounted to about 19,000,000 ounces, unchanged from the previous year. Consumption of silver in the manufacture of jewelery increased slightly, but this increase was offset by a reduction in photographic offtake. There was no silver used for coinage during 1985 or the previous year. In response to lower prices, the volume of silver recovered from old scrap fell substantially from 16,500,000 ounces in 1984 to an estimated 10,500,000 ounces in 1985.

Imports of silver bullion are estimated at 37,000,000 ounces for the year, a decrease of 11% from the revised total of 41,700,000 ounces in 1984. During 1985, the United States supplied approximately 1,300,000 ounces, a reduction from the previous year's amount of 2,200,000 ounces. Other sources were West Germany, 8,500,000 ounces; Australia, 4,500,000 ounces; Peru, 4,000,000 ounces; Spain, 3,500,000 ounces; and other countries, 16,500,000 ounces.

Exports of silver for 1985 amounted to 26,500,000 ounces. This represents a decrease of approximately 46% from the revised 1984 level of 49,000,000 ounces. During 1985, the United States received approximately 21,500,000 ounces. Switzerland received 1,000,000 ounces, all other countries totaled 4,000,000 ounces.

The daily quotation for prompt delivery issued by the London Silver Market ranged from a high of 576.90 pence, reached on February 14, to a low of 401.10 pence, established on December 31, 1985. In dollar terms, the high was $6.75 on April 15 and the low was $5.45 on February 25, 1985. These prices were based on sterling exchange rates in effect at the time.

West Germany: Industrial consumption of silver in West Germany during 1985 amounted to 31,700,000 ounces according to our estimates. This represents a 5% increase over our revised 1984 amount of 30,100,000 ounces. There was no silver used for coinage during 1985, or the previous year. Domestic mine production for 1985 amounted to 1,300,000 ounces, approximately the same as the previous year, and smelter production from foreign ores amounted to 14,900,000 ounces, a 2,900,000 ounce increase over 1984.

Imports including foreign ores, in refined and unrefined form, totaled nearly 48,500,000 ounces. Approximately 5,000,000 ounces came from Sweden; 5,000,000 ounces from France; and the balance of 38,500,000 ounces from various other countries.

Exports amounted to an estimated 26,800,000 ounces, of which 8,500,000 ounces were shipped to the United Kingdom and 1,000,000 ounces to Switzerland. Other principal countries of destination were Italy, Austria, Sweden and the Netherlands.

France: Consumption of silver for industrial uses in France during 1985 amounted to about 18,000,000 ounces, approximately 6% higher than the previous year. There was no silver used for coinage in 1985 or 1984. Primary production amounted to 6,400,000 ounces, approximately the same as 1984. Silver produced from old scrap amounted to 5,100,000 ounces in 1985, compared to 8,300,000 ounces in 1984. Government stocks of about 2,900,000 ounces were virtually unchanged from the previous year.

Imports of silver into France during 1985 amounted to about 14,600,000 ounces, a decrease of approximately 1,000,000 ounces from our revised 1984 amount. The principal countries from which silver arrived were United Kingdom, 3,200,000 ounces; Belgium, 1,900,000 ounces; Mexico, 1,000,000 ounces; and 9,500,000 ounces from various other countries.

Exports totaling 16,200,000 ounces were approximately the same as the previous year. The principal countries to which silver was exported were the United Kingdom, 8,500,000 ounces; Germany, 5,000,000 ounces; and various other countries, the balance of 2,700,000 ounces.

Canada: Production of silver in Canada during 1985 amounted to 38,000,000 ounces, an increase of 1% from the revised 1984 amount of 37,600,000 ounces. Canada continues to be one of the largest producing nations in the non-Communist world. Silver consumed for industrial uses amounted to an estimated 9,100,000 ounces, approximately the same as the previous year. Coinage consumption amounted to 300,000 ounces in 1985, nearly the same as the previous year.

Imports of silver into Canada during 1985 increased 4% to 12,000,000 ounces of which 9,000,000 ounces came from the United States.

Exports for 1985 are estimated at 47,000,000 ounces, of which 44,000,000 ounces were shipped to the United States. This compares with a total of 43,000,000 ounces exported during the previous year.

Mexico: Mexico continues to be the world's leading producer of silver, and silver production during 1985 amounted to 69,000,000 ounces, an increase of 2% from our revised figure of 67,800,000 ounces for 1984. Industrial consumption in Mexico amounted to about 5,200,000 ounces, an increase of 77% over the 1984 level of 3,500,000 ounces. During 1985, Mexico minted 3,000,000 ounces of silver coins. Government stocks at year-end amounted to approximately 30,000,000 ounces, an increase of 4,500,000 ounces during the year.

Mexico exported 54,800,000 ounces of silver during 1985. Approximately, 40,000,000 ounces were shipped to the United

States. Japan received 12,500,000 ounces and the balance of 2,300,000 ounces were shipped to Europe.

Japan: We estimated that industrial consumption in Japan was about 77,200,000 ounces during 1985, which represents a 7% decrease from our revised 78,700,000 ounces used in 1984. In the following table, we have broken down our estimates of major categories of use for 1985 and 1984:

	1985		1984	
	Ounces (millions)	% of Total	Ounces (millions)	% of Total
Photography	41.5	53.8	41.1	52.2
Nitrates	6.9	8.9	7.5	9.5
Contacts	7.7	10.0	8.0	10.2
Solder & Brazing	3.7	4.8	4.0	5.1
Plating	3.4	4.4	3.8	4.8
Tube, Sheet, Bar & Wire	3.6	4.7	3.8	4.8
Silverware	1.2	1.6	1.0	1.3
Other	9.2	11.8	9.5	12.1
Total	77.2	100.0	78.7	100.0

Domestic mines in Japan produced 10,300,000 ounces of silver in 1985, compared to 10,400,000 ounces in 1984. In addition, 8,800,000 ounces of silver were recovered from old scrap during 1985, a 200,000 ounce decrease from the 1984 amount. Industry stocks are estimated to be 40,000,000 ounces at December 31, 1985 an increase of 14,400,000 ounces during the year. This increase is attributable to the active trading at the Tokyo Commodity Exchange, where silver trading was started in 1984 and traders tend to deliver silver to the Exchange rather than exporting it.

Imports for the year, in refined and unrefined form, are estimated at 48,300,000 ounces for the year, an increase of 18% over the revised total of 41,100,000 ounces in 1984. The largest amount came from overseas mines which accounted for 28,200,000 ounces in 1985, up 2,600,000 ounces over the revised

1984 total. Other sources were Mexico, 12,500,000 ounces; United States, 3,600,000 ounces; and the balance of 4,000,000 ounces from all other countries.

Exports of silver of 1985 amounted to 1,700,000 ounces, a decrease of 19% from the 2,100,000 ounces which were shipped in 1984.

Once again, no silver was used in coinage, however, the Government plans to mint silver coins in celebration of the 60th anniversary of the Emperor in 1986. Government stocks are estimated to be nearly 2,000,000 ounces at the end of 1985, the same as the amount held at the close of the previous year.

India: Silver is not produced in India and whatever silver is exported or used by industry comes out of stocks which were accumulated through the centuries. Consumption of silver in India amounted to 25,700,000 ounces in 1985, the same as the previous year. For many years, substantial quantities of silver have been exported, but since 1983, the supply has been progressively lower. This can be attributed to better living conditions, as well as lower prices of silver in relation to gold. It should be noted that the tendency of the masses in India has been to sell silver from accumulated stocks to purchase gold. It is not possible to verify the internal hoards of silver in India, but by all reports they are enormous and will continue to be an important factor to the silver market in the future.

Exports for 1985 were nominal compared to 4,600,000 ounces shipped in 1984. Government stocks are reported to be 67,500,000 ounces at the end of 1985, which reflects no change during the year.

SUMMARY OF WORLD STOCKS

A study, prepared by Economic Consulting Services, Inc., for the Bureau of Mines, stated that U.S. silver holdings of silverware, coins and bullion probably exceeds 2.5 billion ounces. It is believed that while all of this material could be a potential supply source, factors such as price and form will determine the rate at which this material will be available to the market. Silver held in coins has proven to be highly price-elastic, but the elasticity of the balance of this supply is considered to be quite low.

World Stocks of Silver

(excluding India and Communist-dominated areas)

(millions of ounces)

	1985	1984	Increase (Decrease)
Reported private stocks:			
New York Commodity Exchange	155.3	118.5	36.8
Chicago Board of Trade	16.7	19.1	(2.4)
London Metal Exchange	50.1	52.0	(1.9)
Industry stocks in U.S.	15.7(a)	21.2	(5.5)
Total	237.8	210.8	27.0
U.S. Government stocks:			
U.S. Strategic Stockpile	137.5	137.5	—
U.S. Treasury (Mint)	31.8(a)	31.9	(.1)
Total	169.3	169.4	(.1)
Stocks of foreign governments: (estimated)	155.0	150.0	5.0
Conjectural stocks:			
Unreported bullion stocks in the U.S. and abroad	843.8	828.2	15.6
U.S. Silver coins potentially available	848.0	848.0	—
Foreign silver coins potentially available	30.1	30.0	.1
Total	1,721.9	1,706.2	15.7
Total World Silver Stocks	2,284.0	2,236.4	47.6

(a) As of September 30, 1985.

The table on page 18 summarizes on a world-wide basis, excluding India and Communist countries, reported and unreported stocks of silver in bullion and coin. In some cases, figures are available from published reports, governmental and private. In the case of "Stocks of foreign governments," only partial information is available. "Conjectural stocks" were determined by reference to the Bureau of Mines study referred to above and information obtained from private sources.

It is estimated that world stocks of silver totaled approximately 2,284,000,000 ounces at December 31, 1985, an increase of 47,600,000 ounces during the year. Reported private stocks increased 27,000,000 ounces; conjectural stocks (principally unreported bullion in the United States and abroad) increased 15,600,000 ounces and government stocks increased 4,900,000 ounces.

THE OUTLOOK:

For many years, the flow of silver into world markets from India, demonetized coin and old scrap, has been an important part of the supply equation. A portion of this flow appears to react to price changes, diminishing when prices decline and increasing when they rise. Large supplies of secondary silver have been absorbed in past years, and such supplies will continue to be needed in the future to meet industrial and investor demand. New mine production accounts for only a portion of the silver used each year, and the market must draw on secondary sources to fill the balance of its requirements. Silver supplied from these sources totaled 100,900,000 ounces during 1985 which represents the lowest output since 1972.

We have continually emphasized that there is no shortage of silver for industrial uses, nor will there be a shortage in the future, and this has been confirmed by events. The question will be

entirely one of price. Available supplies can readily accommodate any improvement in industrial demand. The silver market has been dominated by speculative activity in recent years and has been subjected to continuous and volatile price fluctuations. The fundamental political, economic and monetary uncertainties which created this excessive speculation have not been corrected. However, the problems are receiving increasing international attention, and there are signs that speculator activity may be gradually subsiding.

There is no discernable factor having a dominating influence on the market at this time. Barring major unexpected developments, such as a return to extreme inflation, it seems logical to expect the same kind of market conditions during 1986 as we have experienced for the past few years.

STATISTICAL TABLES

World Silver Consumption

(excluding Communist-dominated areas)

(millions of ounces)

	1985	1984	1983	1982	1981
Industrial uses:					
United States	118.6	114.8	116.3	118.8	116.6
Canada	9.1	9.0	8.9	9.0	9.4
Mexico	5.2	3.5	2.2	3.6	3.2
United Kingdom	19.0	19.0	18.0	20.0	18.5
France	18.0	17.0	18.6	18.6	20.6
West Germany	31.7	30.1	30.3	35.9	33.8
Italy	14.5	11.6	9.0	9.6	12.9
Japan	77.2	78.7	71.5	63.2	59.8
India	25.7	25.7	21.8	22.5	19.0
Belgium	16.0	15.8	16.0	15.1	16.2
Other countries	38.9	37.7	37.0	35.5	34.0
Total industrial uses	373.9	362.9	349.6	351.8	344.0
Coinage:					
United States	.4	3.4(a)	11.2(a)	2.5(a)	—
Canada	.3	.3	.4	.3	.2
Austria	—	—	2.0	4.0	3.0
Mexico	3.0	2.0	—	—	—
Other countries	5.0	3.0	6.0	6.0	5.8
Total coinage	8.7	8.7	19.6	12.8	9.0
Total Consumption	382.6	371.6	369.2	364.6	353.0

NOTE: Figures for 1985 are preliminary. Some of the figures for 1981 through 1984 as published in last year's Review have been revised.

(a) Includes silver used in minting the George Washington Commemorative Coin and the Olympic Coin.

World Silver Supplies

(excluding Communist-dominated areas)

(millions of ounces)

	1985	1984	1983	1982	1981
New production:					
Western Hemisphere:					
United States	38.1	44.4	43.4	40.2	40.7
Canada	38.0	37.6	35.5	42.2	36.3
Mexico	69.0	67.8	63.6	59.1	52.9
Peru	57.7	56.5	55.9	53.6	46.9
Other countries	28.0	28.8	29.7	27.1	26.4
Total	230.8	235.1	228.1	222.2	203.2
Outside the Western Hemisphere:					
Australia	35.1	34.2	33.8	29.2	23.9
Other countries	54.0	52.2	53.7	54.3	59.2
Total	89.1	86.4	87.5	83.5	83.1
Total new production	319.9	321.5	315.6	305.7	286.3
Secondary sources of supply:					
From U.S. Government	.4	3.0	11.8	3.1	2.1
From stocks of foreign gov'ts	5.0	2.0	3.0	8.0	2.0
From demonetized coin	3.0	4.0	8.0	13.0	12.0
From Indian stocks	25.7	32.1	45.0	35.4	33.5
Net imports (or exports) to Communist Countries	(1.0)	(19.3)	(19.3)	(21.0)	(7.0)
Old scrap and other misc. sources	72.2	75.1	84.1	81.0	105.0
Liquidation of (additions to) private bullion stocks	(42.6)	(46.8)	(80.0)	(60.6)	(80.9)
Total other supplies	62.7	50.1	52.6	58.9	66.7
Available for World Consumption	382.6	371.6	368.2	364.6	353.0

NOTE: Figures for 1985 are preliminary. Some of the figures for 1981 through 1984 as published in last year's Review have been revised.

United States Industrial Consumption of Silver by End Use

(millions of ounces)

	1985	1984	1983	1982	1981
Electroplated ware	3.9	3.5	3.2	3.2	3.9
Sterling ware	3.6	3.6	7.0	6.6	4.4
Jewelry	5.5	5.8	6.9	6.3	5.4
Photographic materials	58.0	55.3	51.8	51.8	51.0
Dental and medical supplies	1.5	1.5	1.5	1.7	1.7
Mirrors	1.0	1.0	1.0	1.0	.6
Brazing alloys and solders	5.8	5.9	5.8	7.4	7.7
Electrical and electronic products:					
Batteries	2.7	2.7	2.6	4.2	3.8
Contacts and conductors	27.0	25.6	26.3	27.7	26.4
Bearings	.2	.3	.2	.2	.3
Catalysts	2.5	2.4	2.4	2.4	3.8
Coins, medallions and commemorative objects	2.3	2.6	3.0	1.8	2.6
Miscellaneous	4.6	4.6	4.6	4.5	5.0
Total Industrial Consumption	118.6	114.8	116.3	118.8	116.6

NOTE: Based on data from Mineral Industry Surveys for gold and silver, published by Bureau of Mines, United States Department of the Interior.

Imports of Silver into the United States

(millions of ounces)

	1985	1984	1983	1982	1981
Imported from:					
Canada	44.0	36.7	35.9	37.4	34.0
Mexico	40.0	40.3	30.3	26.4	22.1
Peru	10.5	23.2	23.9	18.3	23.0
Other Western Hemisphere Countries	6.0	10.1	4.3	7.6	6.8
Total Western Hemisphere	100.5	110.3	94.4	89.7	85.9
United Kingdom	21.5	.8	62.6	12.4	1.4
All Other Countries	25.0	3.9	22.9	15.3	6.8
Total Imports	147.0	115.0	179.9	117.4	94.1

Exports of Silver from the United States

(millions of ounces)

	1985	1984	1983	1982	1981
Exported to:					
Canada	9.0	8.6	9.2	9.4	10.5
United Kingdom	1.3	2.2	10.2	7.4	8.7
Japan	3.6	4.4	4.5	4.4	4.0
West Germany	.5	1.3	2.7	2.3	.3
All Other Countries	11.4	7.9	5.4	1.9	4.4
Total Exports	25.8	24.4	32.0	25.4	27.9

NOTE: Figures for 1985 are preliminary. Some of the figures for 1981 through 1984 as published in last year's Review have been revised.

Silver Quotations

	NEW YORK (Handy & Harman)			LONDON (Daily Fixing)		
	High	Low	Average	High	Low	Average
1985 ...	673.500	557.000	614.218	576.900p	401.100p	477.560p
1984 ...	1003.500	626.000	814.066	679.700	529.100	607.056
1983 ...	1474.500	834.000	1144.128	948.650	560.250	753.437
1982 ...	1121.000	488.500	794.728	685.150	285.100	455.258
1981 ...	1645.000	795.000	1051.837	671.200	412.800	515.234
1980 ...	4800.000	1080.000	2063.157	2165.050	467.800	900.662
1979 ...	2800.000	596.100	1109.378	1446.850	296.400	508.561
1978 ...	629.600	482.900	540.089	311.200	250.000	282.203
1977 ...	496.000	430.000	462.302	289.700	246.900	265.538
1976 ...	510.000	381.500	435.346	282.150	189.050	242.420